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SUBJECT: FACTIONS IN TAIWAN'S RULING DPP -- AN OVERVIEW

Classified By: AIT Director Douglas Paal, Reason(s): 1.4 (B/D)

- 11. (C) Summary. The ruling Democratic Progressive Party (DPP) comprises four factions. This report gives an overview of the characteristics, functions and current status of each faction. Information is drawn from published materials, internal DPP documents, and interviews with contacts both in and outside of the party. End Summary.
- 12. (C) Since its founding in 1986, the ruling Democratic Progressive Party (DPP) has been riven with internal factions. Inter-faction rivalry plays a central role in the formation of party policy and the selection of party leaders. The four current DPP factions grew out of anti-KMT groups in the 1960's and 70's that worked to bring about political reform. These groups, differing in backgrounds, ideologies, goals and strategies, gelled into today,s DPP factions. The influence of factions in intraparty politcs is so significant that the DPP itself compiled an internal list with cell phone numbers of its Legislative Yuan (LY) members by factions, which AIT recently obtained (see par 9).

DPP Factions: Characteristics

- 13. (C) Factional boundaries, outside of the well-organized and disciplined New Tide faction, are imprecise and variable. DPP activists can change their factional affiliations, or break away and form new factions. While the variety and looseness of DPP factions makes it difficult to generalize, DPP factions do share the following characteristics:
- -- Personal Relationships. Factions are based on personal friendships and loyalties, reinforced by the exchange of political favors and support. Within the DPP, politicians and staffers have dense networks of friendship and know and work with people across faction lines. Political aspirants decide which faction they will associate with by a faction's leadership, size, and ability to gain election for its members to party and government offices. Joining a faction, however, is as often decided by personal relationships as by a carefully calculated political advantage.
- -- Inter-Generational. DPP factions reflect successive generations, from political activists who entered the opposition movement before the party's 1986 founding to today's youths, who are a major object of DPP party and faction attention. The DPP's founding largely institutionalized the earlier opposition factions, after which newcomers tended to choose among the existing factions rather than creating new ones.
- -- Formalized Structure. DPP factions are generally open and publicly acknowledged, unlike the secretive and furtive factions of other Taiwan political parties. DPP factions often have their own offices, officers and staffs, and even collect dues from their members.

DPP Factions: Functions

- 14. (C) DPP factions play a central role in the selection of party officers, government positions(since DPP won the presidency in 2000), and legislative candidates:
- -- Party: Factions vie to fill party and government positions. They use a complex process of bargaining with each other and with party leaders to decide on nominations that satisfy as many party factions and members as possible. While the decision process usually reflects the size and resources of the various factions, small factions can gain positions via coalitions with larger factions.
- -- Government: A primary responsibility of the DPP Chairman is to facilitate negotiations among factions for government positions. A DPP chairman with one or more factions behind him will be more effective in orchestrating government appointments.
- -- LY: Since serving as LY Caucus Convener or Whip in the LY gives legislators experience and public exposure, the factions have agreed to rotate these positions in order to minimize inter-factional competition and conflict. The caucus elects a new slate of leaders in each legislative

session, creating opportunities for all factions to occupy leadership positions.

DPP Factions: Current Status

- 15. (C) There are currently four factions within the DPP:
 New Tide, Justice Alliance, Welfare State, and Green
 Friendship Alliance. According to New Tide Faction Office
 Director Tuan I-kang, all but 16 of the 89 DPP LY members
 have factional ties, as do all DPP county magistrates and
 city mayors. New Tide has 26 LY members, Justice Alliance
 30, Welfare State 11 and Green Friendship Alliance 6. At the
 local level, 5 New Tide members currently serve as county
 magistrates (Taipei County, Changhua County, Yilan County,
 Tainan County, and Kaohsiung County). Justice Alliance has 4
 members running the governments in Chiayi County and in
 Chiayi, Tainan, and Kaohsiung Cities. Welfare State and
 Green Friendship Alliance each have one member serving as
 county magistrate) Pingtung and Nantou Counties,
 respectively.
- 16. (C) The four DPP factions are as follows:
- -- Justice Alliance and Welfare State Alliance were both founded by Kaohsiung Incident defense attorneys, including President Chen Shui-bian, Premier Frank Hsieh, and DPP Chairman Su Tseng-chang. (Note: The Kaohsiung Incident took place in Kaohsiung on December 10, 1979, when a march by activists of the democratic movement organized around the "Formosa Monthly" turned violent, with more than 100 oppositon leaders, including current Vice President Annette Lu, arrested and sentenced to prison. End Note). Because of their "war buddies" ties, Justice Alliance and Welfare State have together attracted many of the DPP,s political stars. Justice Alliance, headed by President Chen Shui-bian, is generally seen as essentially a one-person faction. Welfare State was founded by Premier Frank Hsieh and has strong support among DPP educated elites in both northern and southern Taiwan.
- -- New Tide faction was founded by opposition (non-KMT) student activists in the mid-1970's. Members emphasize ideological purity and claim to pursue long-term goals for the DPP rather than short-term victories in local or national elections. New Tide is the best organized, best financed, and most united faction in exercising its influence in the DPP, and it has an established core of theorists, strategists, and organizers. Its influence continues to expand, with many of its leaders now serving in important government, legislative, and party positions. New Tide members tell AIT that their faction focuses particularly on getting its members into number two and three positions in ministries and government agencies. DPP Party Chairman Su Tseng-chang, originally a member of the Welfare State

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faction, has become an ally of the New Tide, apparently in his bid to succeed Chen as 2008 DPP presidential candidate. New Tide,s influence has become so pervasive that a proposal was made in last year,s DPP National Congress to abolish all party factions. The supporters of the resolution explained that the proposal was intended to dismantle the New Tide faction, which, they claimed, not only dominated party resources but also government resources. The proposal was rejected, but the Party Congress adopted a new internal regulation that requires party members serving in an official capacity to withdraw from party factions.

- -- The Green Friendship Alliance: Founded in 2004, Green Friendship Alliance is the newest and smallest faction. It is also the most loosely structured, and seems to be exerting the least influence in party politics.
- 17. (C) Comment: Some contacts tell AIT that DPP factions are less important today in intra party politics because the DPP, as the ruling party, can use government resources to buy cooperation. However, this argument ignores the fact that factions still compete for nominations at the local and national level and that the DPP factions often do not cooperate on important policy issues in the LY. As long as the DPP remains a minority in the LY and as long as the issue of Chen Shui-bian,s succession within the DPP remains unresolved, DPP factional competition will likely continue and even intensify as the 2008 presidential election draws near.
- 18. (C) In fact, a surge in factional infighting appears to have already begun in the run up to the year-end county magistrate/city chief elections, which observers see as the bellwether for assessing the political climate prior to the 2008 presidential race. Incumbent Nantou County Magistrate and Green Friendship Alliance member Lin Tsung-nan, for example, quit the DPP on August 18 to seek reelection in December as an independent, after having lost in an intraparty primary to a Justice Alliance member. Acting

Kaohsiung Mayor and Justice Alliance member Chen Chi-mai, moreover, publicly criticized DPP LY Caucus Leader and New Tide member Lai Ching-de for accusing him of mismanaging imports of foreign laborers into Taiwan in the wake of the violent protest of Thai laborers in Kaoshiung earlier this month. Chen charged that Lai's criticism had an ulterior motive — to absolve fellow New Tide member Chen Chu, Chairwoman of the Council for Labor Affairs, of all responsibility for the riot in order to bolster her candidacy for Kaohsiung Mayor against Chen himself next year. One Justice Alliance member defined to the media the difference in "styles" between New Tide and Justice Alliance: for New Tide, "if you are not my friend, you are not my enemy; for Justice Alliance, "if you are not my enemy, you are my friend." It appears that a line is being drawn in the political sand between these two factions. Whether the DPP as a party will be strengthened or weakened by these internal factions will depend on how well President Chen and other party leaders manage these conflicts in the months to come. End comment.

DPP Factions

¶9. (C) The official DPP list (classified "internal") of DPP faction members in the LY is as follows:

New Tide (26): Hsiao Bi-khim; Lee Kun-tse; Lee Wen-chung; Lin Shu-fen; Shen Fa-Hui; Perng Shaw-jin; Lin Wuei-chou; Kuo Chun-ming; Tsai-Chi-chang; Wang Shih-hsun; Wei Ming-ku; Chiu Chuang-chin; Lin Su-shan; Cheng Kuo-chung; Yeh Yi-ching; Lai Ching-te; Lin Tai-hua; Yen Wen-chung; Pan eng-an; Wang Tuoh; Chen Chin-de; Hong Chi-chang; Lin Cho-shui; Tien chiu-chin; Huang Sue-ying; Lu Tien-lin.

Welfare State (11): Kao Chien-chih; Hsu Kuo-yung; Wang Shi-cheng; Ker Chen-ming; Chai Tong-rong; Lee Chun-yee; Lin Yun-sheng; Cheng Tsao-min; Chang Chuan-tien; You Ching; Chang Chun-hsiung.

Justice Alliance (30): Lin Chung-mo; Kuo Julian-liang; Lan Mei-chin; Chuang Suo-hang; Chen Chin-jun; Wu Ping-jui; Chau Lai-wang; Chen Tsiao-long; Jao Jung-ching; Kuo Jung-chung; Lee Chen-nan; Tu Wen-ching; Hsieh Hsin-ni; Lee Ming-hsien; Charles C. Chiang; Tsai Chi-fang; Chang Hwa-kuan; Hou Shui-seng; Huang Wei-cher; Yu Jan-daw; Chen Chi-yu; Lu Po-chi; Chen ying; Tsai Huang-liang; Gao Jyh-Peng; Chang Ching-hui; Chen Shui-hui; Chen Min-jen; Winston Dang; Peng Tien Fu.

Green Friendship Alliance (6): Cheng Yun-peng; Lin Chin-hsing; Wu Fu-quei; Lin Yu-sheng; Hsu Chi-ming; Hsueh Ling.

Others (16): Kuo Wen-chen; Wang Shu-hui; Huang Chien-hui; Huang Chao-hui; Hsieh Ming-yuan; Tang Huo-shen; Chen Hsien-chung; Lin Kuo-ching; Wang Sing-nan; Tang Bi-A; Wang Jung-chang; Wang To-far; Tsai Ing-wen; Chiu Yeong-jen; Kuan Bi-ling; Sandy Yen.
PAAI.